



SAINT LOUIS COUNTY
41 SOUTH CENTRAL AVENUE
SAINT LOUIS, MISSOURI 63105

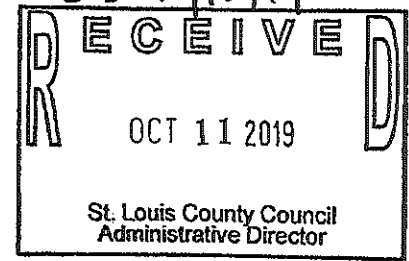
SAM PAGE
COUNTY EXECUTIVE

October 11, 2019

(314) 615-7016

Honorable Ernie Trakas, Presiding Officer
and Members of the St. Louis County Council
Lawrence K. Roos County Government Building
Clayton, Missouri 63105

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Honorable Council Members:

The Loop Trolley was an ambitious idea. When it was unveiled in 2010, its supporters predicted that the trolley would spark commercial development and that ticket sales would cover costs of trolley operations.

That has not yet happened. The trolley, which runs through parts of St. Louis County and the City of St. Louis, has experienced its share of challenges: its opening was delayed by more than six years; construction was beset by cost overruns; state and federal safety tests slowed deployment of trolley cars; there were problems with retrofitting the vintage cars; several accidents occurred; and some car wheels proved incompatible with the rails.

All told, about \$52 million of public and private funds have been invested in the trolley system. Now the system is facing potential insolvency in November unless it now receives an infusion of at least \$200,000. An additional \$500,000 in funding would be required soon thereafter to keep the trolley operating into 2020.

The trolley's supporters believe that this investment would sustain the system until a third car could begin operating in January. A third car, they believe, would allow the trolley to run full-time and would give it a chance to operate as promised, i.e., that it would thereafter be supported only by passenger fares, the special local sales tax in the trolley area, income from advertisements, and private donations.

Allowing such an expensive project to fail so quickly would be a disappointment and could have a wide-ranging impact on future transportation projects. The system's failure could send a message to the federal government, which provided \$33.9 million of the \$52 million, that the region should not be trusted with future investments of that magnitude.

The trolley system's supporters have now turned to the County for financial assistance, but the County doesn't have much to give. For over a decade, County government has been spending more than it was bringing in. We have an extraordinarily tight budget, limited revenue growth, and, even if drastic cost reductions are implemented, a structural deficit. The County obviously does not have the spare cash in the general fund to help the trolley.

That said, money in the Public Mass Transit Fund may be spent on public transit facilities and systems. If the Council decides to extend financial assistance to the trolley system at this time, the Council could appropriate enough from the Public Mass Transit Fund to satisfy the trolley system's request.

I would not support an appropriation of County funds at this time without similar investments from other stakeholders. One potential stakeholder with the capacity to contribute to this project is the City of St. Louis, which had a \$23 million budget surplus this year according to media reports. We suggested to the trolley system's leadership that they approach the City about contributing to the system's funding, but they reported to my staff that the City was apparently not interested in contributing.

I therefore respectfully convey the trolley system's request for an appropriation to the Council for its consideration.

Sincerely,


Sam Page
County Executive

SP/kcm

Attachment

cc: Rita Heard Days, Kelli Dunaway, Tim Fitch, Rochelle Walton Gray, Lisa Clancy, Mark Harder